

**THE UNIVERSITY OF TEXAS SYSTEM REVENUE FINANCING SYSTEM  
FINANCING AGREEMENT PROMISSORY NOTE**

**Issuance Date:** \_\_\_\_\_  
**Issuance Amount:** \$ \_\_\_\_\_

**Institution:** \_\_\_\_\_

For value received, the above-named institution, a Member of The University of Texas System Revenue Financing System, organized and existing under and by virtue of the laws of the State of Texas (the "Borrower") promises to pay, solely from the special funds hereafter referred to, to the order of the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (the "Board"), the above-noted Issuance Amount, or the aggregate unpaid principal amount of each Advance made by the Board to the Borrower pursuant to the Financing Agreement referred to below. Repayment of such Advances shall be made as follows: (i) with respect to Advances with variable rate interest, on the first Business Day of each month, the scheduled amount of principal, if any, due on variable rate Parity Debt during the next succeeding thirty-five days, and (ii) with respect to Advances with fixed rate interest, on the last Business Day before payment is due, the scheduled principal amount, if any, due on fixed rate Parity Debt relating to such Advance. The Borrower promises to pay interest on the unpaid principal amount of each such Advance on the dates and in the manner provided for in the Financing Agreement at the following rate:

- A rate equal to the average monthly rate on commercial paper or variable rate notes outstanding of the Board on behalf of the Revenue Financing System (variable rate Parity Debt) and attributable to Advances to Borrower. Such interest as to Advances shall be reported monthly by the Board.
- A rate equal to the fixed rate on bonds sold by the Board on behalf of the Revenue Financing System (fixed rate Parity Debt) and attributable to Advances to Borrower. Such rates and interest as to Advances shall be provided to the Borrower by the Board upon the sale of bonds.

All such payments of principal and interest (the "Direct Obligation") shall be made in lawful money of the United States in Federal or other immediately available funds at the commercial bank designated by an authorized representative of the Office of Finance, The University of Texas System, 201 West 7<sup>th</sup> St. Suite 418, Austin, Texas, 78701.

All Advances made by the Board, the respective maturities thereof, and all repayments of the principal thereof shall be recorded by the Board and, prior to any transfer to the Construction Fund or such other fund as is designated by the Board, endorsed by the Board on the schedule attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided that the failure of the Board to make any such recordation or endorsement shall not affect the obligations of the Borrower hereunder or under the Financing Agreement.

This note is the Promissory Note or Note referred to in the Financing Agreement dated as of July 3, 1990 between the Borrower and the Board (as the same may be amended from time to time) and which is intended to provide financing for an eligible Project as described on Exhibit A-1 to this note. Terms defined in the Financing Agreement are used herein with the same meanings. Reference is made to the Financing Agreement for provisions for the prepayment hereof. If the holder enforces this Promissory Note upon default, the Borrower shall reimburse the holder for reasonable costs and expenses incurred by the holder in collection, including attorney's fees and expenses. This Promissory Note shall be construed under and governed by the laws of the State of Texas.

This Promissory Note, including the interest herein, is payable solely from and secured by a lien upon and pledge of the Pledged Revenue, all as set forth in the Financing Agreement and the Master Resolution. This Promissory Note does not constitute a general obligation or indebtedness of the Borrower within the meaning of any constitutional, charter, or statutory limitations or provisions, and the holder hereof shall never have the right to require or compel the levy of ad valorem taxes for the payment of the principal of and interest on this Promissory Note. Reference is made to the Financing Agreement and such Master Resolution for the provisions relating to the security of this Promissory Note and the duties and obligations of the Borrower.

This Promissory Note relates only to the Advance to be made to the Borrower on the above-noted Issuance Date. The advance may include portions attributable to capital projects for which a separate, project-specific Promissory Note has already been executed. This Promissory Note does not represent incremental liability for such projects.

Made and executed on the day and year first above written.

By: \_\_\_\_\_  
(Chief Business Officer)